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**Audit & Governance**

**19 July 2023**

Report of the Chief Finance Officer (S151 Officer)

**Statement of Accounts 2022/23**

**Summary**

1. The purpose of this report is to present for information the draft 2022/23 Statement of Accounts before they are audited.

**Recommendation**

2. Audit & Governance Committee note the draft pre-audit statement of accounts, for the financial year ended 31 March 2023.

Reason: To ensure that, in line with best practice, Members have had the opportunity to review the draft pre-audit Statement of Accounts.

**Background**

3. The Accounts and Audit Regulations (2015) requires Local Authorities to publish draft Accounts by 31<sup>st</sup> May. This deadline was extended to 31<sup>st</sup> July for the past few years under the Coronavirus amendment (2021). 2022/23 is the first year the deadline has reverted back to 31<sup>st</sup> May, and consequently due to delays in prior year audits the majority of Local Authorities across the country signalled they would not meet this earlier deadline. At York Council, our draft Accounts were available for inspection on 21<sup>st</sup> June, in line with last year.
4. The Council has to prepare an annual Statement of Accounts and present them to Audit & Governance Committee. Members are not being asked, at this stage, to approve these draft pre-audit accounts. The Chief Financial Officer has signed the draft accounts, and the audited accounts will be brought back to this Committee later in the year for approval on behalf of the Council.

5. Following the authorisation of the Chief Finance Officer, the accounts have been available for public inspection for a period of 30 working days from 21<sup>st</sup> June until 1<sup>st</sup> August. During this period local government electors for the area are able to exercise their rights to question the auditor about the accounts. Mazars are the Council's external auditors and they expect to issue a report and opinion by the end of November.
6. The pre-audit Statement of Accounts 2022/23 has been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the UK and is produced in line with International Financial Reporting Standards (IFRS) which are the accounting standards used across the world making Local Authorities' Accounts more comparable with the private sector and worldwide.
7. The first section of the accounts (the Narrative Report) explains the main information included in the accounts, gives an overview of the Council and provides further information about the most significant matters reported in the accounts, along with an analysis of the pressures and risks that may impact on future financial performance.

### **Options**

8. As this is a statutory requirement, no options are presented as part of this report.

### **Corporate Priorities**

9. The Statement of Accounts provides a technical financial summary of the activities of the council and assists in providing the Council with a viable financial position on which to base future budget projections. It is a statutory requirement that the final audited accounts are approved by the Audit & Governance Committee after the audit by 30<sup>th</sup> September.

### **Implications**

10. The implications are
  - Financial – The Statement of Accounts show that for 2022/23 there is a provisional net over spend of £4.8m, funded from the

contingency and earmarked reserves. The full details of the outturn position were reported to Executive on 15<sup>th</sup> June 2023.

- Human Resources - there are no human resource implications to this report
- Equalities - there are no equality implications to this report
- Legal - there are no legal implications to this report
- Crime and Disorder - there are no crime and disorder implications to this report
- Information Technology - there are no information technology implications to this report
- Property - there are no property implications to this report
- Other - there are no other implications to this report

### **Risk Management**

11. Areas of risk identified throughout the final accounts process are monitored and managed on an ongoing basis to ensure the statutory deadline is met.

### **Conclusion**

12. The production and publication of the statement of accounts is a statutory requirement that provides members and interested parties with the chance to see the full financial position of the Council.
13. Bringing the statement of accounts to audit & governance provides an opportunity for Member led debate and compliance with defined best practice. It is an important part of member involvement in corporate governance that scrutiny is undertaken of the Council's accounts.

## Contact Details

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Report approved	X	Date	6/7/23
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**Specialist Implications Officer(s)** None

**Wards Affected:** *List wards or tick box to indicate all*

<b>All</b>	<input checked="" type="checkbox"/>
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**For further information please contact the author of this report**

### Annexes

- A – Explanation of core statements
- B – Draft Statement of Accounts 2022/23

### Abbreviations:

IFRS – International Financial Reporting Standards  
CIPFA – Chartered Institute of Public Finance and Accountancy  
IAS - International Accounting Standard